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HARPER BY JONATHAN SHARP SAN FRANCISCO

The U.S. defense system suffered huge long-term damage when an American engineer, James Harper, sold thousands of documents on missile secrets to the Soviet bloc, a government missile expert testified in court today.

"With this amount of data, there is really no way we can mitigate the damage done to the defense posture of the United States," said John Cunningham, a CIA official now with the U.S. Department of the Army.

"This damage can have an effect on our country, in particular on the defense against ballistic missiles, for some time to come, perhaps into the 21st century," he added.

He said the government was still trying to recover from the massive leakage of highly-sensitive information, which Harper, an engineer in the California's Silicon Valley high-technology district, sold to Polish agents who passed them on to Moscow.

He said it was almost impossible to put a monetary value on the information which Harper supplied the Poles during more than a dozen trips to Europe and Mexico starting in 1979.

Harper, who was arrested last October following a tipoff to U.S. authorities by a Polish double agent, is said to have sold the documents for \$250,000.

Harper, aged 49, initially pleaded not guilty to nine charges of espionage and tax evasion, but changed his plea to guilty to the main spying charge under an agreement with the government under which the other eight charges are being dropped.

The engineer appeared relaxed as FBI agents testified in court on his contacts with Polish agents, including meetings where an Irish medallion worn by Harper and a torn laundry list were used as means of identification.

His lawyer told reporters after the hearing that he did not think Harper had much idea of the huge value of the documents to the Soviet Union, which is said to have sent a team of 2D experts from Moscow to Warsaw to examine some of the material sold by the American.

Much of the material related to an high-technology center in Huntsville, Ala., where research is carried out on ways to defend against a missile attack on the United States.

The United States does not deploy such an anti-missile system at present, but Cunningham testified that the material supplied by Harper would be of "utmost importance" to the Soviet Union in assessing U.S. offensive systems, such as the Minuteman and MX missiles, as well as U.S. defense.

The information also included American analyses of Soviet military capabilities, giving Moscow an extremely valuable insight into the strengths and weaknesses of the American intelligence-gathering system, Cunningham added.

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Harper is said to have obtained the documents from his wife, Ruby Louise Schuler, who worked as a secretary in a Silicon Valley firm, Systems Control Inc, which had numerous government defense contracts. She died last June of cirrhosis of the liver.

Also named in the FBI documents on the case is William Hugle, who is accused of helping Harper make contact with Polish intelligence agents.

Under the agreement with the government, Harper has said he will cooperate by supplying information on his activities, including any accomplices.

At today's hearing, U.S. District Judge Samuel Conti accepted Harper's guilty plea and said the sentence would be announced on May 14. Harper faces a possible life term, which could mean up to 30 years in jail.